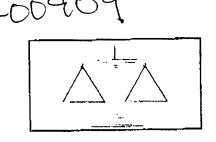
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TENNESSEE

REG'D TH REGULATORY AUTH.

EXECUTIVE SECRETARY



DR. WILLIE HERENTON, Mayor RICK MASSON, Chief Administrative Officer

LAW DIVISION ROBERT L. J. SPENCE, JR., City Attorney

FAX TRANSMISSION

OUR FAX NO: (901) 576-6531

URGENT

TO:	Chairman Sara Kyle, TN Regulatory Authority
FROM:	Terre Johnson for Mayor Willie W. Herenton
DATE:	10/19/00
RE:	Memphis Networx
FAX NUME	BER: 615-741-5015 / 615-244-6804
TOTAL PA	GES INCLUDING THIS ONE: 3
=	TO FOLLOW BY MAIL: YES &) NO ()
IF YOU DO	NOT RECEIVE ALL PAGES, PLEASE TELEPHONE IMMEDIATELY.
REMARKS	Please see attached letter from Mayor Herenton regarding above referenced subject.
	Terre for Mayor Herenton

NOTE: The papers transmitted herewith are to be delivered immediately to the individual or entity named above. Said papers may contain attorney-privileged and confidential information intended for the use of the addressee only, and no other person is authorized to read, copy or distribute the papers or to disseminate any information contained therein.



REGULATORY AUTH.

'00 00T 19 PM 12 39 DR. WILLIE W. HERENTON MAYOR

EXECUTIVE SECRETARY

October 19, 2000

VIA FAX & U.S. MAIL

Ms. Sara Kyle, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Re: Memphis Networx

Dear Chairman Kyle:

I understand the Tennessee Regulatory Authority has raised a question regarding what information the City has been provided and what position it has regarding this project. I am happy to provide a response that may clear up this issue. Over the past several 12-18 months, several of my key Directors have been briefed on several occasions about the formation, importance, economic benefit and value of Memphis Networx to the City and citizens of Memphis. Also, I have personally been briefed on the project by Herman Morris, MLG&W President, Ward Huddleston, Networx Chief Manager, Attorney Ricky Wilkins, and representatives of Arthur D. Little, a telecom consultant.

I wish to be on record as approving of this endeavor and MLG&W's entry into the telecom arena. I understand Memphis Networx, LLC is a joint venture with the Memphis Light, Gas & Water Division and A&L Networks, LLC-Tennessee that proposes to build an open-access, state-of-the-art, next generation fiber optic network over which it will transmit vast sums of data and video content to all segments of the Memphis community. This is an important development for the City.

Ms. Sara Kyle, Chairman Tennessee Regulatory Authority October 19, 2000 Page Two

In addition to creation of jobs for the community and revenue for the City, I believe this endeavor is an excellent one in that it will foster competition. Competition is healthy and because of it the community benefits. We are all aware that consumers lose when competition is absent. Competition fosters growth, stimulates commerce, and benefits the consumers most directly affected.

For these reasons, I approve of Memphis Networx, and I trust the TRA will join me in finding that this endeavor is good for the City of Memphis, its citizens, and West Tennessee as a whole.

Sincerely,

Willie W. Herenton

Mayor, City of Memphis

WWH:tlj

xc: Mi

Mr. Herman Morris

Mr. Alex Lowe

Mr. Ward Huddleston, Jr.

Ricky E. Wilkins, Esq.